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House of Representatives

The House met at 2 p.m. and was called to order by the Speaker pro tempore (Mr. YODER).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,

March 8, 2011.

I hereby appoint the Honorable KEVIN YODER to act as Speaker pro tempore on this day.

JOHN A. BOEHNER,

Speaker of the House of Representatives.

MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 5, 2011, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 1 hour and each Member other than the majority and minority leaders and the minority whip limited to 5 minutes each, but in no event shall debate continue beyond 3:50 p.m.

MEDICARE FRAUD

The SPEAKER pro tempore. The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

Mr. STEARNS. Mr. Speaker, last week, as chairman of the Oversight and Investigations Subcommittee of Energy and Commerce, I held a hearing on the problem of Medicare fraud. This is not a new issue. It has been a continuing problem with Medicare, and I have been concerned about Medicare fraud for some time here. Last Congress, I introduced a bill to increase the civil and criminal penalties on those who defraud the Medicare program.

In fact, in 1990, the Government Accountability Office, GAO, listed both Medicare and Medicaid as high risk because these programs are vulnerable to waste, fraud, abuse, and mismanagement. Now, how badly mismanaged are we talking about? Well, the GAO recently issued a report that there was \$48 billion just in improper payments. This isn't fraud. This is just improper payments. So when it comes to fraud, it is estimated anywhere from \$60 billion to \$90 billion is lost to Medicare fraud every year.

During this hearing, I asked the Director of Medicare Program Integrity, whose job it is to protect Medicare against fraud and abuse, if he knew how much money is lost to fraud in Medicare. He could not answer this question. The following week, Secretary Sebelius was asked in a Health Subcommittee hearing if she knew how much money was lost to fraud in Medicare. Her answer: "If we knew how big it was, we'd hopefully shut it down."

But in my hearing, Special Agent Omar Perez, the head of the Medicare Fraud Strike Force in the Miami region of Florida for the Office of the Inspector General, testified he was able to find \$3.8 billion in Medicare fraud. My colleagues, this is one city. If extrapolated across 50 States, with almost 20,000 municipalities, you can see how we could get to \$60 billion to \$90 billion in fraud. According to the Inspector General, Medicare fraud is more lucrative than the drug trade, with easy money, less violence, and lighter punishments. And organized crime is taking notice and getting involved in defrauding Medicare.

So here are five reform ideas that came out of this hearing that were mentioned to help secure Medicare against criminals engaged in defrauding the program.

First, Medicare needs to maintain better control over their provider network. It is easy for a company to do

business with Medicare, and the burden is on the government to remove a company from the Medicare program. This needs to change to allow the government to remove bad actors from the program quickly and efficiently.

Secondly, Medicare needs to significantly improve their provider and supplier screening process. While individuals have a right to Medicare, companies do not have a right to become or stay a Medicare provider.

Third, Medicare needs to shift away from a fee-for-service program. A capitated managed care organization provides a strong financial incentive to the managed care organization to eliminate fraud and abuse. It is the managed care plan that has the financial risk and not the United States Federal Government when criminals perform fraud. Managed care organizations present their own set of challenges but need to be considered when discussing reforms to eliminate fraud in Medicare.

And fourth, Medicare needs to increase the role of physicians in detecting and preventing fraud themselves. Medicare providers and suppliers must use a doctor's prescription to obtain government reimbursement. Bad actors forge these documents. Previously, the GAO has recommended that Medicare require that physicians receive a statement of Medicare home health services that their patients receive so they can review the documents. This will allow them to look at it carefully and detect any potential misuse of their authorizations.

And lastly, Medicare needs to use predictive computer modeling and other technologies. The credit card industry uses this modeling to identify potentially fraudulent transactions. Medicare and Medicaid should adopt this style of analysis to prevent fraudulent claims.

Mr. Speaker, these are five simple ideas to empower the Medicare program to stop the fraud in this system,

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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and this was recommended from the hearing what we had in Oversight and Investigations. It must be stated again there is an estimated \$60 billion to \$90 billion in fraud in Medicare every year, and of course, no one over at Health and Human Services knows how much is lost. The Secretary of Health and Human Services could not even come up with a number. And think of that. After 45 years of this program, no one knows how much fraud is in Medicare, and no steps have been taken to really analyze and find out. Yet we have all the baby boomers that are beginning to retire. The cost of Medicare will explode, and the hidden cost of fraud will increase.

My committee will forward the material from the Oversight and Investigation hearing to the Health Subcommittee to start to develop legislation to address these problems with Medicare fraud. We have a \$1.5 trillion deficit, and eliminating waste, fraud, and abuse is necessary to balance our budget, and we should start now.

LIVING WELL AT THE END OF LIFE: A NATIONAL CONVERSATION

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, I had the privilege this morning to participate in a fascinating in-depth discussion sponsored by the National Journal and The Regence Foundation, "Living Well at the End of Life: A National Conversation." It was made possible by the Regents Group, an insurance company headquartered in my hometown, Portland, Oregon, and the deep commitment that its president and CEO, Mark Ganz, has to be able to make sure that families have the information, the tools they have necessary

to make sure that they understand their treatment choices and that they are respected.

This is an issue that goes far beyond the so-called "end of life." This is key so that everybody knows their health care choices, they understand their choices, and they make their wishes known, their choice is honored and respected.

It is a mistake as we have these conversations to confuse the high cost of end of life with concerns about health care reform. When people are seriously ill, they have high health care spending, and there is nothing wrong with that. That is a natural consequence of what happens when people need more hospitalization, more intense activity.

But too often, the sickest and most vulnerable have negative experiences in our complex health care system, which creates unnecessary strains on both the patients and the caregivers, and it is a mistake to somehow confuse this with people who are seriously terminally ill. Forty percent of all people who are hospitalized can't make decisions for themselves. This is a real stress on them, on families, and the ones who have been given the responsibility to try and guess what is in their best interests.

I have heard countless stories about how our health care system has failed patients during these medically and emotionally complex episodes. Both colleagues on our Ways and Means Committee—and we're dealing with health care reform—friends, and witnesses have come forward time and time again with how a parent, a spouse, a friend ended up on auto pilot in the health care system, in and out of hospitals, confused by all the specialists, decisions being made around them but not with them.

We can do better. We know how to do better. There are successful models of

comprehensive, patient-centered care that leads to better quality and greater patient satisfaction, and it's interesting that the new polling by the National Journal and The Regence Foundation makes this abundantly clear.

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These results affirm that health care is deeply personal and that people want to know their options, stay in control of their care, and be in a position to help their loved ones. This poll indicates that 97 percent of Americans polled believe that it is important that patients and their families be educated about palliative care and care options available to them when they're seriously ill.

Over 80 percent of Americans polled believe that discussions about palliative care and other treatment options should be fully covered by health insurance, including Medicare. By a more than three to one margin, people identified that it's more important to enhance the quality of life for someone who is seriously ill rather than just simply extend life.

It pointed out that as a result of some of the, I would think, bizarre conversation that has surrounded this issue, including the 2009 PolitiFact's Lie of the Year about death panels, that elected officials and political candidates, according to this survey, are actually the worst source in people's minds for information. The good news is that they trust religious leaders, health care providers and doctors, insurance companies.

And the most trusted are friends and family, which illustrates why we need to work aggressively in educating all Americans about the choices that are available to them and how those choices are respected. It's time to start now.